

A Jost Cranes GmbH & Co KG v Jost Cranes Sdn Bhd

B HIGH COURT (KUALA LUMPUR) — ORIGINATING MOTION NO
D25 (IP)-11 OF 2009
AZAHAR MOHAMED J
7 APRIL 2010

C *Trade Marks — Registered trademark — Expungement — Application for — Whether applicant aggrieved person — Whether respondent had right to register trademark — Whether registration ought to be expunged — Trade Marks Act 1976 ss 25(1), 45 & 46*

D On 22 July 2003, the respondent, as the proprietor of the JOST trademark applied to register the said trademark pursuant to s 25(1) of the Trade Marks Act 1976 ('Act'). The respondent submitted that it was the first user of the JOST mark in respect of construction cranes in class 7. The registrar of trademarks allowed the registration of the JOST trademark, which was made of the word JOST and two bands forming arrowhead devices. This was an application by Jost Cranes GmbH & Co, the applicant, for an order that the JOST trademark currently registered under the respondent's name be expunged and removed from the register of trademarks, Malaysia following s 45 of the Act. The applicant contended that it was the first user of the JOST mark in respect of construction cranes in class 7 and that the respondent could not have claimed to be the rightful proprietor of the said trademark. The respondent submitted that the proprietorship of the JOST mark never resided in the applicant. Instead the respondent claimed that it had entered into two agreements with one Franc Jost, the inventor of the cranes which bore the JOST mark, wherein the latter had sold all his rights in respect of the cranes including the rights to the JOST mark to the respondent. As such, the respondent contended that it was the rightful proprietor of the JOST mark and that it had extensively promoted the JOST mark in Malaysia in order to signify that the cranes bearing the JOST mark originated from the respondent. The respondent also submitted that the applicant did not have the locus standi to commence the present action because it was not a person aggrieved under ss 45 and 46 of the Act. The issues before the court were whether the applicant was a person aggrieved and had the locus standi under s 45(1)(a) of the Act to initiate the present action and whether the applicant was the first prior user of the JOST mark in respect of construction cranes in Malaysia prior to the respondent's application for the registration of the trademark filed on 22 March 2003 ('the priority filing date').

I **Held**, allowing the applicant's application with costs:

- (1) If the applicant could show a trading interest in relation to or connected

with the JOST mark, such as having prior use of the mark in the course of trade of the relevant goods in question, then grievance was shown. Weighing all the facts and evidence, the applicant had a commercial interest in the JOST mark before the respondent submitted an application for the registration of the mark. Further the applicant had used the JOST mark in the course of its trade and also continues to have first user rights to the trademark. As such the applicant had the locus standi to initiate these proceedings as a person aggrieved under s 45(1)(a) of the Act by the respondent's entry of the JOST mark in the trademark register (see paras 13 & 14).

- (2) Whilst Franc Jost had the property rights to the design of the cranes, it was the applicant who had the rights to the JOST mark as the manufacturer of those cranes, and who affixed the JOST mark onto the cranes and used the same in the course of trade. In fact, it could not be disputed that the applicant was the manufacturer of construction cranes using the JOST mark, which was derived from the applicant's company name. In its affidavits the applicant had shown that it had widely advertised, published and promoted construction cranes bearing the JOST mark. On the other had the respondent had not produced any evidence to the effect that it had manufactured the construction cranes in Malaysia or elsewhere with Franc Jost (see paras 20, 23 & 24).
- (3) The letters produced by the applicant showed that the respondent was the importer of construction cranes of the applicant's manufacture bearing the JOST mark before 22 July 2003 (the priority filing date), which was the date the respondent filed its application to register the JOST mark. As these letters related to events before the priority filing date it was untenable for the respondent to claim that it was the first user of the JOST mark on construction cranes in Malaysia. Due to prior use of the mark by the applicant, the respondent could not claim entitlement to the mark. As such the entry made in the register of trademarks was made without sufficient causes and ought to be expunged and removed from the register (see paras 26, 29–32).

[Bahasa Malaysia summary]

Pada 22 Julai 2003, responden, sebagai tuan punya tanda dagang JOST memohon untuk mendaftar tanda dagang tersebut di bawah s 25(1) Akta Cap Dagangan 1976 ('Akta'). Responden menyatakan bahawa ia adalah pengguna pertama tanda JOST berkaitan dengan kren-kren pembinaan kelas 7. Pendaftar Tanda Dagang, Malaysia membenarkan pendaftaran tanda dagang JOST, yang dibuat menggunakan perkataan JOST dan dua lilitan yang membentuk lambang mata panah. Ini ialah permohonan oleh Jost Cranes GmbH & Co, pemohon, untuk satu perintah bahawa tanda dagang JOST yang kini didaftar di bawah nama responden dipotong dan dikeluarkan dari daftar tanda dagang, Malaysia menurut s 45 Akta tersebut. Pemohon

- A menyatakan bahawa ia adalah pengguna pertama tanda JOST berkaitan dengan kren-kren pembinaan dalam kelas 7 dan responden tidak boleh mendakwa ia sebagai tuan punya sah tanda dagang tersebut. Responden menghujah bahawa ketuanpunyaan tanda JOST bukan milik pemohon. Sebaliknya responden mendakwa bahawa ia telah menandatangani dua perjanjian dengan Franc Jost, pencipta kren-kren yang mempunyai tanda JOST, di mana beliau telah menjual semua hak-haknya terhadap kren-kren tersebut termasuk hak-hak untuk tanda JOST kepada responden. Oleh itu, responden menyatakan bahawa ia adalah tuan punya sah tanda JOST dan ia telah mempromosikan tanda JOST dengan luasnya di Malaysia untuk menunjukkan bahawa kren-kren yang mempunyai tanda JOST berasal daripada responden. Responden juga menghujahkan bahawa pemohon tidak mempunyai locus standi untuk memulakan tindakan ini kerana ia bukan pihak terkilan di bawah s 45 dan s 46 Akta tersebut. Isu-isu di hadapan mahkamah ialah sama ada pemohon merupakan pihak terkilan dan mempunyai locus standi di bawah s 45(1)(a) Akta tersebut bagi memulakan tindakan ini dan sama ada pemohon ialah pengguna pertama tanda JOST berkaitan dengan kren-kren pembinaan di Malaysia sebelum permohonan responden untuk pendaftaran tanda dagang yang telah difailkan pada 22 Mac 2003 ('tarikh pemfailan keutamaan').

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Diputuskan, membenarkan permohonan pemohon dengan kos:

- (1) Jika pemohon dapat menunjukkan kepentingan dagangan berkaitan dengan atau berhubung dengan tanda JOST tersebut seperti penggunaan terlebih dahulu tanda tersebut dalam perniagaan barangan yang berkaitan, kemudiannya aduan ditunjukkan. Menimbang semua fakta-fakta dan bukti, pemohon mempunyai satu kepentingan komersil dalam tanda JOST tersebut sebelum responden menyerahkan permohonan untuk pendaftaran tanda tersebut. Selanjutnya pemohon telah menggunakan tanda JOST dalam perdagangannya dan juga terus mempunyai hak pengguna pertama untuk tanda dagang tersebut. Oleh itu pemohon mempunyai locus standi untuk memulakan prosiding ini sebagai pihak terkilan di bawah s 45(1)(a) Akta tersebut akibat kemasukan tanda JOST dalam daftar tanda dagang (lihat perenggan 13 & 14).
- (2) Sementara Franc Jost mempunyai hak harta untuk reka bentuk kren tersebut, ia adalah pemohon yang mempunyai hak-hak untuk tanda JOST sebagai pengeluar kren-kren tersebut, dan yang meletakkan tanda JOST ke atas kren-kren tersebut dan menggunakan tanda tersebut dalam perniagaannya. Malah, ia tidak boleh dipertikaikan bahawa pemohon ialah pengeluar kren-kren pembinaan yang menggunakan tanda JOST, yang mana berasal daripada nama syarikat pemohon. Dalam affidavit-afidavitnya pemohon telah membuktikan bahawa ia telah dengan luasnya mengiklan, mencetak dan mempromosikan

kren-kren pembinaan yang mempunyai tanda JOST. Responden tidak memberikan sebarang bukti untuk membuktikan bahawa ia adalah pengeluar kren pembinaan tersebut di Malaysia atau di tempat lain bersama Franc Jost (lihat perenggan 20, 23 & 24).

- (3) Surat-surat yang dikemukakan oleh pemohon menunjukkan bahawa responden ialah pengimport kren-kren pembinaan pengeluaran pemohon yang mempunyai tanda JOST sebelum 22 Julai 2203 ('tarikh pemfailan keutamaan') yang merupakan tarikh responden memfailkan permohonannya untuk mendaftar tanda JOST. Oleh kerana surat-surat ini berkaitan dengan peristiwa-peristiwa sebelum tarikh pemfailan keutamaan, responden tidak dapat mempertahankan tuntutan bahawa ia adalah pengguna pertama tanda JOST berkaitan dengan kren-kren pembinaan di Malaysia. Oleh kerana penggunaan terlebih dahulu tanda tersebut oleh pemohon, responden tidak boleh menuntut hak terhadap tanda tersebut. Oleh itu kemasukan yang dibuat dalam daftar tanda dagang telah dibuat tanpa sebab-sebab yang mencukupi dan sepatutnya dipotong dan dikeluarkan dari daftar (lihat perenggan 26, 29–32).]

Notes

For cases on expungement, see 12 *Mallal's Digest* (4th Ed, 2005 Reissue) paras 2127–2142.

Cases referred to

Daimler AG v Sany Group Co Ltd [2009] All ER (D) 128 (refd)
Hai-O Enterprise Bhd v Nguang Chan @ Nguang Chan Liquor Trader (a firm, intervening) [1993] 1 BLJ 53, HC (refd)
McLaren International Ltd v Lim Yat Meen [2009] 5 MLJ 741; [2009] 4 CLJ 749, FC (refd)
Moorgate Tobacco Co Ltd v Philip Morris Ltd (1984) 156 CLR 414, HC (refd)
Re Arnold D Palmer in the matter of Trade Mark Registration No 63249 [1987] 2 MLJ 681, HC (refd)
Thunderbird Products Corporation v Thunderbird Marine Products Pty Ltd (1974) 131 CLR 592, HC (refd)

Legislation referred to

Trade Marks Act 1976 ss 25(1), 45, 45(1)(a), 46

SF Wong (Michelle Loi with him) (Shearn Delamore) for the applicant.
SM Lim (Vinesh M Varghese with him) (Raja Darryl & Loh) for the respondent.

Azahar Mohamed J:

[1] This is an application by Jost Cranes GmbH & Co KG ('the applicant')

- A for an order that the trademark 'JOST & DEVICE mark' under trademark No 03009020 ('the JOST mark') currently registered under the name of Jost Cranes Sdn Bhd ('the respondent') be expunged and removed from the register of trademarks, Malaysia. The JOST mark is made of the word JOST and two bands forming arrowhead devices. For ease of reference, I reproduce below the said JOST mark:
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- D [2] The JOST mark was filed by the respondent on 22 July 2003 (ie the priority filing date) for goods in class 7 including cranes, material hoists, lifting and hoisting apparatus, together with parts and accessories thereof. The mark was subsequently registered and will expire on 22 July 2013.

- E [3] The applicant's present trademark expungement application is based on s 45(1)(a) of the Trade Marks Act 1976 ('the Act').

THE APPLICANT'S CASE

- F [4] Very briefly, the applicant contends that the JOST mark was wrongfully entered upon the register because the respondent is not the proprietor as it claimed to be pursuant to s 25(1) of the Act, which provides that only person rightfully claiming to be the proprietor of a trademark used or proposed to be used by him may make an application to have the said trademark registered.
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- H [5] The applicant contends that it is the first user of the JOST mark in respect of construction cranes in class 7. For this very reason, the respondent could not have claimed to be the proprietor that entitled them to file for any form of trademark application for the JOST mark. The applicant further contends that because the respondent is not the proprietor of the mark, its mark cannot be protected by any court of law and ought to be expunged by the court, following s 45 of the Act.

- I THE RESPONDENT'S CASE

[6] The respondent's case can be summarised as follows. The proprietorship of the JOST mark never resided in the applicant. On 21 June 2000, the respondent entered into an agreement with one Franc Jost ('the first

agreement') and on 28 November 2001, another agreement was entered between Franc and the respondent ('the second agreement').

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[7] Franc Jost as the inventor of the Jost Cranes, which bore the JOST mark, had sold all rights in respect of the cranes to the respondent, including the rights to the mark. The applicant is not a person aggrieved provided under ss 45 and 46 of the Act to take out the application and therefore, the applicant has no locus standi to bring the present action.

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[8] According to the respondent, a reading of the first and second agreements will also suggest that the respondent is not a mere licensee, but has in fact purchased all rights to the cranes, including the right to use the mark which bore on the cranes.

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[9] The respondent contends that it is the first in time user in Malaysia of the JOST mark. Hence, all use of the mark in Malaysia must be imputed on the respondent alone as the rightful proprietor of the mark.

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[10] According to the respondent, the applicant has not sufficiently used the JOST mark in the course of trade in Malaysia and there is no likelihood of confusion or deceit caused.

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[11] The respondent has extensively promoted the JOST mark in Malaysia in order to signify that cranes bearing the JOST mark originate from the respondent. The respondent contends that the registrar of trademarks had correctly exercised his discretion in allowing the registration of the JOST mark.

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FINDINGS OF THE COURT

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[12] Section 45(1)(a) of the Act, which this application is premised upon, requires the applicant to be a person aggrieved by the registration of the JOST mark. Hence, the first question to pose would be: whether the applicant is a person aggrieved and has the locus standi under s 45(1)(a) of the Act to initiate the present action. First of all, I will quote the relevant provision that is relevant to the current discussion. Section 45(1)(a) of the Act, in particular, provides that the court may order the expunction of a registered trademark if such an application was made by any person aggrieved by the non-insertion in or omission from the register of any entry or by any entry made in the register without sufficient cause or by any entry wrongfully remaining in the register, or by any error or defect in any entry in the register, make such order for making, expunging or varying such entry as it thinks fit.

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A [13] Since the decision of the Federal Court case in *McLaren International Ltd v Lim Yat Meen* [2009] 5 MLJ 741; [2009] 4 CLJ 749, 'persons aggrieved' is given a more stringent approach as set out in *Re Arnold D Palmer in the matter of Trade Mark Registration No 63249* [1987] 2 MLJ 681. In *Re Arnold*, it is held that:

B If an applicant for rectification has no trading interests to begin with, it cannot suffer any damage at all by the existence of a conflicting trademark on the register. It therefore cannot be right, in principle, that the mere filing of its application can confer the necessary locus standi on the applicant for the purposes of rectification proceedings.

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D [14] What I gather from this case is that if the applicant can show a trading interest in relation to or connected with the JOST mark such as having prior use of the mark in the course of trade of the relevant goods in question, then grievance is shown.

E [15] Weighing all the facts and evidence, in my judgment, the applicant had a commercial interest in the JOST mark even before the respondent submitted an application for the registration of the mark. The applicant has also been using the said mark in the course of trade on cranes, cable cranes, mobile and non-mobile cranes, slewing cranes, lattice tower cranes, adjustable derricks, trolley travelling cranes, all included in class 7. The applicant had and continues to have first user rights to the said trademark. I will go into detail about this point at a later stage of this judgment. At this point, suffice to say that the applicant does have the locus standi to issue these proceedings, being a 'person aggrieved' under s 45(1)(a) of the Act by the entry of the JOST mark in the trademarks register.

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G [16] I move on to consider the question whether the applicant is the first user or proprietor of the JOST mark in respect of construction cranes in Malaysia prior to the respondent's filing date on 22 July 2003. Case laws have shown that courts are prepared to infer first prior user of a particular trademark in respect of goods applied for from small amounts of use and testing.

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I [17] In the Australian case of *Moorgate Tobacco Co Ltd v Philip Morris Ltd* (1984) 156 CLR 414, it is held that there is no need to establish local reputation by the foreign owner. A prior transaction would be viewed in a favorable manner if it could be considered to fall within the definition of use as a trademark.

[18] In *Thunderbird Products Corporation v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592, it is held that the existence of correspondence,

the sending of brochures and the forwarding of a loosely assembled boat for mould-making by the originator of the product, an American corporation, to the Australian company constituted use of the mark by the American corporation. This is despite the fact that the prototype is not meant for actual sale, but is to be used by the licensee to make boats from the mould which would be subsequently sold.

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[19] The concept of use of a trademark must also be assessed from various aspects and circumstances including the nature of the goods involved. To this extent and in this limited given context, a helpful reference to the definition of genuine use of a trademark may be referred to.

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[20] In *Daimler AG v Sany Group Co Ltd* [2009] All ER (D) 128, the following principles may be derived with regards of the meaning of genuine use:

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- (a) Genuine use is a qualitative and not a quantitative criterion.
- (b) The use has to be consistent with the essential function of the trademark, which is to guarantee the identity of the origin of the goods or services to the customer or end users.
- (c) The use has to be on the market by the proprietor or an authorised third party and not just internal use by the undertaking concerned.
- (d) The use has to be to maintain or create a share in the market for the goods or services protected by the mark.
- (e) The court has to take into consideration all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark has been real, and in particular, whether such use would be viewed as warranted in the trade sector concerned to maintain or create a share in the market for the relevant goods or services protected by the mark. And finally,
- (f) The nature of the goods in issue such as the characteristics of the market concerned and the scale and frequency of the use of the mark have to be taken into account.

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[21] It is important to bear in mind that in the present action, the goods in question are construction cranes and unlike usual types of goods that can be boxed, stored and transported, construction cranes are of a different species of goods altogether. The parts of these construction cranes must be transported and assembled separately. It cannot be disputed that the applicant is the manufacturer of construction cranes using the JOST mark, which derives from its very company name. Construction cranes bearing the JOST

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A mark have been widely advertised, published and promoted extensively. This can be seen in the applicant's first supporting affidavit and exh FJT11.

[22] In this case, there was never a direct, legally binding relationship between the applicant and the respondent directly though both dealt in a commercial and business way with another party, ie Franc Jost sometime between June 2000 (ie prior to the filing of the mark on 22 July 2003) till the termination of the second agreement sometime in July 2005. In my view, the first agreement relates to the grant of rights by Franc Jost of certain distributorship rights of the Luffer and Topless cranes designed by him. Nevertheless, the applicant with the applicant's very own JOST mark, manufactured these cranes. Whilst Franc Jost has the property rights to the design of these cranes, it is the applicant who has the rights to the JOST mark as the manufacturer of and who affixed the JOST mark onto these cranes and use the same in the course of trade.

[23] The question of who can be registered as the owner of a trademark proprietor as first user or importer was dealt with in the case of *Hai-O Enterprise Bhd v Nguang Chan @ Nguang Chan Liquor Trader (a firm, intervening)* [1993] 1 BLJ 53. Mahadev Shankar J (as he then was) stated the following:

Generally speaking it is the manufacturer of goods who is entitled to be registered as the owner of any mark he attaches to identify his goods, not the person who imports these goods into this country. In certain circumstances however the importer can acquire those rights as against the manufacturer where there is a contest between them.

We start with the definition of a trademark in s 3 of the Trade Marks Act 1976 (TMA 1976) where the material words are:

'trademark' means ... a mark used or proposed to be used in relation to goods ... so as to indicate a connection in the course of trade between the goods and a person having the right ... as proprietor ... to use the mark ...

It is important at all times to keep in the forefront of our minds that there is a clear distinction between the intellectual property in a trade mark, and the title to the goods upon which that mark is applied. So generally, a manufacturer continues to own the mark even though he has sold the goods. The object of the exercise is to indicate 'origin'. In its most elementary form the owner of the trademark would be the trader whose connection is indicated by the use of the mark. That trader would be the owner of the mark at common law. Speaking generally in this case, it is common ground that the said mark was originally conceived in China for indicating the Chinese connection with the goods. If the Chinese used or proposed to use this mark on their goods in Malaysia then the said mark comes within the definition.

So viewed the proper meaning to be assigned to the term 'proprietor' means the Chinese because they were the ones who intended that their mark should be used in

Malaysia when they agreed to allow Hai-O to import their goods under the Sole Agency agreement and did in fact so use the mark from the day the goods reached Malaysian soil.

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[24] In my view, the first agreement relates only to the designs of the specified Luffer and Topless tower cranes. It makes no mention of the JOST mark. To my mind, the first agreement was thus neither an agreement relating to sales of the JOST mark nor is it sales of the business of Franc. It is concerned with the designs of the two models of cranes ie Luffer and Topless. It is thus not an agreement on the sales of the JOST mark, as contended by the respondent. In fact, learned counsel for the respondent fairly conceded that there is no exact clause in it, which deals specifically with this. Indeed, nowhere in the contents of the first agreement is there any mention made to the JOST mark.

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[25] As it turned out, the first agreement paved the way for the role and direct involvement played by the applicant vis-a-vis the manufacture of construction of the Luffer and Topless models of cranes of Franc Jost's designs as provided for in the first agreement. In fact, the applicant was the actual manufacturer and supplier of these construction cranes during the subsistence of the first agreement. The manufacture of the construction cranes was in respect of both the specified models of Luffer (M) and Topless (M) cranes only. Pursuant to the first agreement, the range of the designs to be sold (or, licensed) to the respondent was tower cranes from 190 meters until 310 meters tone (see cl 3(a) of FTJ3 and Schedule 1 of the first agreement). On these manufactured construction cranes by the applicant, the applicant has used the JOST mark. Indeed, the JOST mark was used as the identifier and source of its construction cranes, as is prominently and conspicuously represented on its cranes (see exh FJT11).

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[26] The respondent has not produced any evidence to the effect that it has manufactured the construction cranes of the agreed Luffer and Topless designs (with Franc Jost) in Malaysia or elsewhere. On the other hand, the applicant has produced the following letters as can be seen in exh FTJ4 of the applicant's first supporting affidavit as proof of manufacture:

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- (a) two letters written by the applicant to respondent on tower crane related matters on 2 November 2000;
- (b) correspondence from the applicant to the respondent on 1 November 2001 in relation to the supply of Jost tower crane model JT300.16 to Shenyang Peter's Machinery Co Ltd;
- (c) correspondence dated 21 September 2002 from the respondent to the applicant;

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- A** (d) correspondence from applicant to the respondent dated 18 November 2002;
- (e) correspondence from the applicant to the respondent on 7 March 2003;
- B** (f) correspondence from the applicant to the respondent on 17 March 2003 in relation to the delivery of mechanical and electrical parts for cranes JT300.16;
- (g) correspondence/invoices issued by Jost GmbH on various dates on the supply and sourcing of its cranes and related parts to Shenyang Peter's Machinery Co Ltd through the respondent;
- C** (h) correspondence issued by the respondent to the applicant on 6 November 2000 and the respondent's remittance schedule to the applicant;
- D** (i) unrelated correspondence dated 10 July 2002 from Jost GmbH to the respondent; and
- (j) unrelated correspondence dated 1 October 2002 from Jost GmbH to the respondent.
- E** [27] There are two important points to be said about these letters. For one, these letters were made prior to the filing date of the JOST mark on 22 July 2003. This would mean that any information in particular found therein would have been made known to the respondent during this relevant material time. As can be clearly seen, the JOST mark, which appears on top of these
- F** letters, was first used by the applicant in relation to the cranes it manufactured in the course of trade prior to the filing date of the mark.
- G** [28] For another, as it is evident from these letters, the respondent was the importer of construction cranes of the applicant's manufacture bearing the JOST mark before the priority filing date of 22 July 2003. In this way, I agree with the submission of learned counsel for the applicant that the respondent has acted as the conduit through which the applicant's construction cranes bearing the JOST mark were supplied and distributed in the world during the subsistence of the first agreement. This has proven the usage of JOST mark
- H** by the applicant, which preceded way before the priority filing date of 22 July 2003. In my view, the locations with which such usage was made extended to include that of Malaysia. All transactions relating to the importation, onward consignment, sales and all other such activities meant to facilitate such sales and consignment of the applicant's JOST branded cranes of the
- I** Luffer and Topless model took place in Malaysia.

[29] It is true that the respondent had incurred various expenses in its efforts to promote and sell the construction cranes bearing the JOST mark. Having regard to the factual matrix of the present case, in my view, such promotional efforts to sell the construction cranes bearing JOST mark were construction cranes of the applicant's manufacture (and not of the respondent's); and further that promotional efforts to sell goods bearing a certain trademark can be taken or deemed to be use of the said mark.

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[30] It is not disputed that such promotional efforts and activities vis-a-vis construction cranes bearing JOST mark was made through one Foo Jong Teng, the applicant's former employee.

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[31] Based on the affidavit evidence, I am unable to accept the contention that the respondent was the one, which manufactured the construction cranes bearing JOST mark before the applicant. The letters found in exh FJT4 as I have mentioned a moment ago provides a very strong evidence from which one can directly infer that the manufacture of the cranes bearing JOST mark came from the applicant. As stated earlier, these letters moreover related to events before the priority filing date of the respondent's mark.

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[32] Hence, it untenable for the respondent to claim that it was the first user of the JOST mark on construction cranes in Malaysia. In my view, it is not shown to this court by the respondent that the JOST mark originated from the respondent. Contrary to this, based on the evidence, the first user of the JOST mark in respect of construction cranes in class 7 was the applicant.

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[33] In my view, having regard to the facts and circumstances of the present case, the respondent in actual fact was aware at all material times that it was not legally entitled to the JOST mark. Knowledge on the part of the respondent is imputed since at least it started corresponding with the applicant in November 2000 as shown in exh FJT4. Due to prior use of the mark by the applicant, the respondent cannot claim entitlement to the mark. In my view, the respondent had unlawfully applied to register the JOST mark.

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[34] Therefore, for all these very reasons, this court order the expunction and removal of the Malaysian Trade Mark registration No 97012526 for the

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A trademark 'JOST & DEVICE mark' from the register of trademarks pursuant to s 45(1) of the Act as the entry was made without sufficient causes. Hence, I allow the applicant's application with costs.

B *Applicant's application allowed with costs.*

Reported by Kohila Nesan

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